companies and some members of IBA from Russia participated in these seminars.

On 1 May, 2002, the Indo-Russian Chamber of Commerce and Industries, South India, was inaugurated in Chennai, the underlying idea being to further strengthen and promote interaction between Indian and Russian corporate entities.

(b) No, Sir.

(c) Does not arise.

(d) Both countries recognize the need for a sustained engagement in the economic and commercial sphere. There are several institutional arrangements which facilitate discussions on these subjects. At the governmental level Indo-Russian economic and commercial relations are reviewed and discussed within the framework of the Indo-Russian Inter-Governmental Commission which meets on a regular basis.

Trade between India and EU

1372. SHRI K. NATWAR SINGH:
DR. T. SUBBARAMI REDDY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether European Union (EU) have decided to work with Indian business community to remove moneary and fiscal bottlenecks for doubling trade between the two regions in five years:

(b) if so, whether the EU is working systematically with Indian industry chambers and remove the sectoral problems especially in agro-industries; and

(c) if so, to what extent both India and EU have agreed to develop their trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMEMRCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) to (c) India and EU are involved in a continuousdialogue both at the official as well as at business level to enhance bilateral trade relations.

As a follow of the first India-EU Summit held in Lisbon in June 2000, trade/industry of both sides had undertaken a joint study of food processing, engineering, information technology and telecommunications sectors for enhancement of bilateral trade and investment. Similar joint studies in respect of textiles, biotechnology, financial services and energy have also been taken up at the business level. Such studies would help in identifying the constraints and bottlenecks and to chart suitable road maps for enhancement of bilateral trade and investment.

However, no specific trade target or time frame has been fixed for doubling of trade between the two regions.

Shifting of production facilities by MNCs

1373. SHRI A. VIJAYA RAGHAVAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether some multinationals have shifted their production facilities to India;

(b) if so, the number of nature of production of the multinationals shifted during the last two years, year-wise;

(c) whether the low wages prevailing in South Asia including India is thereason for the above shifting of the multinationls; and

(d) if so, the action taken/proposed to be taken to protect labour's interest?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) to (d) Relocation of production facilities based on cost and efficiency considerations is a normal feature in the merging International Production System. Several foreign companies have set up manufacturing facilities in India, which include setting up of greenfield projects, acquisition of existing units and relocation of production facilities from overseas. Government does not give any specific approval for shifting of production facilities to India.

The mode of setting up commercial presence in India by a foreign company is determined by the route available under the extant FDI policy, *viz.*, Automatic route, FIPB route, NRI/OCB route. With regard to shifting